

AMENDMENT NO. 1
TO LEASE AGREEMENT
DATED NOVEMBER 24, 1999, BETWEEN
MARY LU WALTON EPPS AND THOMAS H. WALTON
AND THE CITY OF COLLEGE STATION, TEXAS

WHEREAS, the City of College Station, Texas (Lessee), entered into a Lease Agreement with Mary Lu Walton Epps and Thomas H. Walton (Lessor) on November 24, 1999, for the lease of real property; and

WHEREAS, the parties agreed, in consideration for the lease of the property, to a rental rate of THREE THOUSAND FOUR HUNDRED FIFTY and NO/100 DOLLARS (\$3,450.00) per month; and

WHEREAS, the Lease Agreement granted to Lessee one (1) three-year option to extend the Lease Agreement; and

WHEREAS, the parties desire to amend the original Lease Agreement to grant Lessee one (1) one-year option to extend the Lease Agreement rather than the originally agreed upon three-year option; and

WHEREAS, the parties agree to a rental rate of THREE THOUSAND FOUR HUNDRED FIFTY and NO/100 DOLLARS (\$3,450.00) per month during the one (1) one-year extension of the term of the Lease Agreement; and

WHEREAS, the parties further agree that Lessee, at the expiration of the one-year extension, may, at its option, continue in a holdover tenancy binding Lessee to all the terms and conditions of the Lease Agreement, for a period not to exceed three (3) months; provided that Lessee will provide Lessor's agent, Chalon Jones, with as much notice as possible as to the expected move-out date; and

WHEREAS, the parties agree to a rental rate of THREE THOUSAND SIX HUNDRED TWENTY TWO and 50/100 DOLLARS (\$3,622.50) per month during the holdover tenancy; and

WHEREAS, the parties desire to modify the terms of the original Lease Agreement to provide for collection of adjustments to real estate taxes and insurance premiums, as well as maintenance fees, at the end of the Lease Term;

NOW THEREFORE, for and in consideration of the recitations above and the covenants expressed hereinbelow, the parties agree to the following:

OPTION TO EXTEND LEASE

To amend Paragraph 27 of the original Lease Agreement as follows:

Lessee is hereby granted one (1) one-year option to extend this lease. Lessee shall notify Lessor in writing by October 1, 2002, of Lessee's intention to exercise the one-year option that would begin the following January 17, 2003. The terms of the lease for the option period shall be the same as those of the primary terms except that said monthly rental shall be THREE THOUSAND FOUR HUNDRED FIFTY and NO/100 DOLLARS (\$3,450.00) per month during the option term.

To add Paragraph 27.01 to the original Lease Agreement:

MONTH-TO-MONTH HOLDOVER:

At the end of the one-year extension of the Lease Agreement, Lessee may, at its option, continue in possession of the premises under a month-to-month tenancy for a period not to exceed three (3) months. Lessee shall notify Lessor in writing, not less than sixty (60) days prior to termination of the one-year term, of Lessee's intention to exercise this holdover option. The holdover tenancy will bind Lessee to all the terms and conditions as set forth in this Lease Agreement except that said monthly rental shall be \$3,622.50 per month during any holdover period. The holdover tenancy will terminate the earlier of the expiration of the three-month period, May 30, 2004, or sixty (60) days following Lessee's notice of termination to Lessor. In no event shall said move-out date extend past May 30, 2004, without express written consent of Lessor.

To amend Paragraph 8 of the original Lease Agreement as follows:

The parties hereby agree that adjustments will be made in the rental rate due to changes in real estate taxes and/or fire and casualty insurance premiums. The base year for real estate taxes will be 1999; and Lessor's current casualty policy dated August 12, 1999, will be the base for insurance premium adjustments. Any adjustments made under this section will be made at the end of the Lease as extended herein or as called for in the Lease.

To amend the second and third subparagraphs of Paragraph 9 of the original Lease Agreement as follows:

Provided however, Lessee shall be responsible for the first ONE HUNDRED AND NO/100 DOLLARS (\$100.00) of each maintenance call except for maintenance calls caused by future roof leaks, structural repairs or damages, or retrofitting of property in response to break-ins. Lessor shall pay the balance of said repair costs.

The collection of Lessee's share of maintenance expenses will be done at the end of the Lease as extended herein or as called for in the Lease.

All other terms and conditions of the original Lease Agreement shall remain unchanged and in full force and effect.

EXECUTED this the _____ day of _____, 2002.

LESSOR:

LESSEE:

CITY OF COLLEGE STATION, TEXAS


MARY LU WALTON EPPS

BY: _____
RON SILVIA, Mayor



THOMAS H. WALTON

ATTEST:

CONNIE HOOKS, City Secretary

APPROVED:

THOMAS E. BRYMER, City Manager


Carla A. Robinson
City Attorney

Director of Financial Services

The following language to be added where appropriate.

Parties agree that the adjustments for real estate taxes, casualty insurance premiums and repairs called for in Paragraphs 6 and 7 will be made at the end of the Lease (as extended herein) or as called for in the Lease, at Lessor's discretion.

OPTION TO EXTEND LEASE